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# How To Do Business with the City and County of San Francisco



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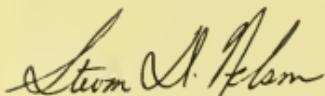
## FOREWORD

On behalf of the City and County of San Francisco, we are pleased to publish this booklet describing the procurement process for the City. We hope this information will assist you in bidding on City contracts for goods and services. By describing the procurement process for potential vendors, the City benefits from having more bidders, more suppliers, a wider selection and lower prices. Vendors who understand the process can make better bids and increase their sales.

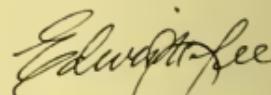
This brochure describes the organization of the City and County as it relates to various types of contracts:

- Procurement of equipment, supplies and general services is generally centralized under the Purchasing Department, which is under the jurisdiction of the Director of Administrative Services. Individual departments may make their own purchases for many types of products up to \$5,000.
- Construction contracts, including contracts for architects and engineers, are decentralized. The following departments individually evaluate proposals and award contracts: San Francisco International Airport; the Recreation and Park Department; the Port; the Public Utilities Commission (the City agency, not the State PUC); the Public Transportation Commission; and the Department of Public Works.
- Professional services (e.g., consulting contracts) are evaluated and recommended by the 60 individual City departments. The Purchasing Department officially awards the contract.

We hope you find this booklet useful. If you have any suggestions to improve it, or if you have any questions, please call 554-6743.



Steven D. Nelson  
Director of Administrative Services



Edwin M. Lee  
Director of Purchasing

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## **1. OVERVIEW**

This section is for quick reference, intended to give you a summary of the key elements you need to know so you can sell to the City, and to indicate where in this booklet more detailed information is located.

This booklet contains a great deal of information, and we don't want the reader to become discouraged by reading too much unrelated information while trying to find what is immediately relevant.

### **A. Why Should I Read This Booklet?**

This booklet has been published to familiarize businesses (you) with how the City and County of San Francisco buys the products and services (including construction) it needs and how you can make yourself known to the appropriate parts of City government. With this information, you stand the best chance to become aware of what the City needs and of potential business opportunities. This booklet concentrates on the activities of the Purchasing Department.

For information on the City departments which contract for construction, see Chapter 4, "Construction, Architects, Engineers and Professional Services" (page 14), and Chapter 9, "City References" (pages 26-31).

The Table of Contents is structured primarily around questions potential vendors frequently ask. You should think of the Table of Contents and this Overview section as roadmaps to the booklet.

### **B. What Do I Need to Know?**

#### **1. Does the City Buy What I Sell?**

We buy everything needed to run dozens of City departments, including: an airport; hospitals; police and fire departments; general offices; medical laboratories; water and electrical distribution systems; wastewater treatment; buses,

streetcars, cable cars; maintenance and construction of buildings, roads, parks, playgrounds.

See Chapter 2, page 6, for a representative list of the major categories of products and services the City buys. For more information on products and services, call Purchasing's main number: (415) 554-6743.

## **2. What City Department Buys What I Sell?**

Under our City Charter and Administrative Code, several City departments have authority to sign contracts committing the City to a purchase. See paragraph 3 below for information on contacting these departments.

If you sell commodities or general services used by all City departments, it will be the Purchasing Department which solicits competitive bids and awards the contract.

If you're in construction or architecture and engineering services, then the bidding or proposal processes are conducted by, and the contracts are signed by, the following departments: the Airport (SFO); the Department of Public Works (DPW); the Port; the Public Transportation Commission (PTC), which includes the Municipal Railway; the Public Utilities Commission (PUC), which includes the Water Department and Hetch Hetchy; and the Recreation and Park Department.

If you provide professional services, such as management consulting, legal or medical services, or data processing consulting, those needs are initially managed by the City department which will receive the services, and that's over 60 departments. The ultimate contract is signed by Purchasing, but the departments generally conduct a Request-for-Proposal (RFP) to analyze potential contractors.

## **3. How Do I Make Myself Known to those Departments, and Find Out What Goods or Services are Needed now or in the Near Future?**

For Purchasing, call 554-6743, which is the office's main number. Fill out the Vendor Profile Form. Call 554-6743 and we'll send you one. For the Airport; the Department of

Public Works (DPW); the Port; the Public Transportation Commission (PTC), which includes the Municipal Railway; the Public Utilities Commission (PUC), which includes the Water Dept. and Hetch Hetchy; and the Recreation and Park Department; call the numbers listed near the back of this booklet in Chapter 9, "City References."

For other City departments, call each department directly. There are two sources for departmental phone numbers. First, you may consult the Government Pages of the San Francisco telephone directory. Second, City government phone numbers are posted on the Internet. Go to "[www.ci.sf.ca.us/phones/employee/index.htm](http://www.ci.sf.ca.us/phones/employee/index.htm)." Or, go to the City's Home Page at "[www.ci.sf.ca.us](http://www.ci.sf.ca.us)," click on "Infocenter," click on "General Information", and click on "San Francisco City Government Phone Directory."

To learn of Citywide procurement possibilities, read the "Bid and Contract Opportunities" newsletter. It is published by Purchasing every week, and summarizes many upcoming purchases of products and services, as well as construction projects, architects and engineers, professional services contracts, and concessions and leases. The newsletter is also on the Internet and Citywatch, Cable Channel 54 in San Francisco. See Chapter 3, Sec. D.1, page 9, for more information.

#### **4. How Much of my Product or Service Does the City Buy?**

It's important to know whether the City buys a lot of what you sell, or only a little. Call Purchasing at 554-6743 and talk to the buyer for your commodity.

### **C. What's in this Booklet, and What Isn't?**

This booklet generally covers purchases of:

- Products.
- Professional and other services.
- Construction.
- Architectural and Engineering services.

**This booklet does not cover:**

- Lease or rental of City property. Call the Real Estate Department at 554-9850.
- Concessions located on City property. Call the department which manages the property.
- Disbursement of City grant funds. Call Grants for the Arts at 554-6710.

**This booklet does not cover purchases by the following entities:**

- San Francisco Redevelopment Agency. Call 749-2400.
- San Francisco Housing Authority. Call 554-1200.
- San Francisco Unified School District. Call 695-5993.
- San Francisco Community College District. Call 241-2268.

## **D. What Should I Be Careful of?**

### **1. Promises of an Award**

Because the City relies heavily on competitive bidding, no department knows which bidder will receive an award until sealed bids are opened. This means that no one can give assurances that a vendor will receive a particular order. City government is also subject to California law regarding conflict of interest, including the receipt of gifts. In many circumstances, gifts are illegal, or at the very least, may be reported by City officials on state-mandated forms.

### **2. Don't Start Work Without an Authorized Contract**

No service should be provided, and no goods should be delivered, before you receive a written contract from the City (but see page 18, "Emergency Orders"). Until the contract, purchase order, or blanket purchase order is executed by the City, the City has no legal obligation to pay for the order. If you begin work without the required authorization, your later options may include only taking back your merchandise or filing a claim with the City.

## **E. Where Is Purchasing?**

Purchasing's main office is at 633 Folsom Street, Room 514. We're between 2nd and 3rd Streets, at the corner of Folsom and Hawthorne. To get here, you can take BART or the Municipal Railway to the Montgomery Street station, then walk south on New Montgomery to Mission, go west to Hawthorne, then go south on Hawthorne to Folsom. A pay parking lot is next to the building, and other pay parking lots are nearby.

## **2. WHAT THE CITY BUYS**

The following are examples of the types of products the City purchases. We also buy many others.

- vehicles: cars, trucks, vans
- petroleum: fuel, lubricants
- office supplies
- printed forms, paper
- computer hardware and software
- food and food services, for hospitals and jails
- animal feed and supplies
- medical equipment and supplies, pharmaceuticals
- laboratory equipment and supplies
- castings
- chemicals
- institutional clothing and laundry service
- electrical supplies, lamps
- glass
- pipe, fittings, valves
- hardware, tools, locks, shovels, rakes, lumber

The following are examples of general services the City buys:

- janitorial
- security guard
- pest control
- landscaping

The following are examples of construction services the City contracts for:

- buildings
- street repair
- park and playground improvements

The following are examples of professional services the City contracts for:

- management consulting
- accounting and auditing
- medical
- legal
- computer software design and consulting
- architecture and engineering
- facilities management

### **3. COMPETITIVE BIDDING FOR PRODUCTS AND GENERAL SERVICES**

#### **A. How Do I Get Started?**

After you've done the necessary research to determine that the City buys what you sell and that it's worthwhile for you to become aware of upcoming bids, you need to get your company into the City's new vendor database. To do this, you fill out Purchasing's "Vendor Profile Form," a form which requests information on you and the goods or services you provide. To receive a form, visit or call Purchasing (554-6743). The form describes, but does not include, several additional forms which must be completed if they are not already on file (see Chapter 3, Sec. J, page 12). If you have never done business with the City, please ask for all the forms.

Once you've submitted the Vendor Profile Form, your firm's name will be in the City's vendor file and put into a bid system for the creation of bid lists. The bids you are sent will depend on the commodities or services you identify on the form. Please note that completing the Vender Profile Form is not the same as getting certified as an MBE, WBE, or LBE. You must submit a separate MBE/WBE/LBE certification form to the Human Rights Commission. See Chapter 5, "MBE/WBE/LBE Ordinance," pp. 15-19.

#### **B. I'd Like to Contact Someone in Purchasing**

And we want to meet you. If you sell products or general services, your first stop should be Purchasing. Call Purchasing's main number, 554-6743, to find out which buyer is responsible for your category of products or services. Then speak to the buyer to arrange an appointment to discuss your products or services. Purchasing's regular hours are 8 a.m. to 5 p.m.

We want to make your and our time as productive as possible. To help us do so, when you meet with the buyer, be sure to bring your company's literature, references, telephone contacts, names of people authorized to sign contracts on your company's behalf, and information on any contracts you have with the federal, state or other municipal governments.

## **C. How Does Purchasing Request Bids?**

After your first visit to Purchasing, your next encounter with the process could be when you receive a bid request. Except for emergency or urgent needs, Purchasing sends out written requests for bids. These requests are generally of two types:

- For bids over \$50,000, Purchasing sends formal "Proposals" to potential bidders and advertises the bids in the City's official newspaper. (See next page.)
- For bids under \$50,000, Purchasing sends out informal bids, called "Quotations." These quotations are not advertised, but are sent to a minimum of three prospective bidders.

Bids and quotations of \$5,000 and above are listed in the "Bid and Contract Opportunities" newsletter, described in the next paragraph. For urgently needed items, Purchasing requests quotations by telephone or fax.

## **D. How Do I Learn about Bids?**

### **1. Read the "Bid and Contract Opportunities" Newsletter**

Even if you're in the database, we cannot send you every relevant bid. But we encourage you to bid even if we haven't sent you a bid yet. It's to your advantage, therefore, to be on the subscription list for the City's "Bid and Contract Opportunities" newsletter. It contains a listing of:

(1) all bids over \$5,000 sent out by Purchasing; (2) construction bids solicited by construction departments; (3) architect and engineering bids solicited by construction departments; (4) professional service contract opportunities with all City departments; (5) concessions and leases.

The newsletter is sent weekly to the MBE/WBE professional associations listed in Chapter 10. It is also available by paid subscription (currently \$72 per year) to all other vendors. To subscribe, use the form at the back of this booklet and

submit it to:

Purchasing Department  
Bid Newsletter  
633 Folsom St., Room 514  
San Francisco, CA 94107-3607

## **2. Visit us on the Internet for Daily Updates**

The newsletter is posted on the Internet. You can link to it by going to Purchasing's home page at the following address: "[www.ci.sf.ca.us/purchase/](http://www.ci.sf.ca.us/purchase/)". The Internet's edition of the newsletter is updated every day. See Chapter 5, "Internet Information," for a description of what is posted in Purchasing's pages.

Please note that, as of this printing, only the newsletter is on the Internet. The bid documents may be posted in the near future.

## **3. Review Purchasing's List of Pending Bids**

At the front counter at 633 Folsom, Room 514, Purchasing maintains a file of pending bids. You may visit Purchasing during office hours to review the file, ask any questions, and request a copy of the bid. Office hours for bid inspection are 8 a.m. to 5 p.m.

## **4. Check the Advertisements in the Official Newspaper**

All bids of \$50,000 or more are advertised in the San Francisco *Independent*, which is the City's official newspaper for FY 98 (July 1997 through June 1998) for this type of advertising. The San Francisco *Examiner* is the City's official newspaper for other types of advertising (which are not placed by Purchasing). The City's official newspapers are subject to change annually.

## **E. How Do I Get a Copy of a Bid?**

Purchasing distributes bids in several ways, most often the U.S. Mail. If you're located in San Francisco, you must visit

Purchasing to pick up a bid. We can't mail it to you, because of the volume of requests we receive. If you're outside of San Francisco, we can mail it to you.

Except for urgent needs, we cannot fax bids, because the bid packages can be large and because of the volume of requests we receive. But we can send you a bid Federal Express collect, if you give us your account number. Urgent needs are handled as single-page faxed or phone bids, rather than multiple-page bid packages which are listed in the newsletter or advertised in the official newspaper.

We are exploring how to make bids available on a computer bulletin board or the Internet, so that vendors can download them.

## **F. How Do I Submit a Bid?**

Because of the structured nature of government contracting, the City has little flexibility if the bid you submit does not include everything asked for. So it's critical that you submit a bid that's right the first (and perhaps only) time, or else we may not be able to consider your bid. Here are some things to keep in mind:

### **1. Be Timely.**

Submit your bid by the date and time specified. Late bids cannot be considered.

### **2. Read the Bid Conditions.**

Each bid contains a number of bid conditions, some applicable to all City bids, and some tailored to the particular bid. Prices must be firm for the period specified, from as short as 90 days to as long as 2 years. For a contract which could extend over several years, prices can change yearly. For Purchasing to consider a prompt payment discount when evaluating bids, the discount offered can be for no fewer than 30 days. This means that a discount of 2%-10 days cannot be considered in the evaluation, though it would be taken when invoices are paid.

### **3. Be Responsive.**

Bid on the items and in the quantities the bid requests. If you add any qualifications or reservations to your bid, the bid may be considered conditional or nonresponsive and can be rejected.

### **4. Failure to adhere to bid conditions may result in rejection of the bid.**

## **G. Can I Be Present when the Bids are Opened?**

Yes. The bid request notes when bids will be opened. Formal proposals are opened publicly on Fridays at 3 p.m. in Room 514 at 633 Folsom St., and the bids are microfilmed. Generally, Purchasing announces only the names of firms submitting bids. The bid prices themselves are not announced. Quotations are not opened publicly, but you can call the buyer any time after you submit your quotation to find out if the quotations have been opened yet.

## **H. How Does the Bid Evaluation Process Work?**

Depending on the complexity of the bid, it can take from several days to several weeks to evaluate all the bids submitted. Purchasing makes certain that bidders are bidding on the same items and in the same units and quantities. Sometimes a bid states "brand name or equal," which means that if you bid on an item other than the one specified, such as an Ajax widget, your item must perform as well as the specified item.

When bids have been analyzed, Purchasing sends a summary to the requesting department for review and recommendation.

Purchasing awards to the lowest reliable and responsive bidder.

For a bid with many items, Purchasing in its discretion may award the entire contract to one bidder based on compari-

sons of the aggregate bids, or may make individual line-item awards to the lowest bidders. This option will be stated in the bid package.

## I. May I Inspect the Bids? How Do I Learn About Bid Results?

Some categories of bids (depending on dollar value) are available for inspection by those bidders attending the bid opening. After Purchasing awards any contract, all bids become a public record.

You can come to the office and inspect the bid tabulation, or we can send copies to you for a copying charge. To find out if the bid has been tabulated and award made, call Purchasing at 554-6743 at least 7-10 days after the bid opening date. You will be informed whether the bid tabulation is available at Purchasing's front counter, or of the charge for a copy.

## J. Are There Forms to Fill Out?

Yes. In addition to sending you a bid form to complete, Purchasing includes several other forms:

- Declaration of Compliance with Admin. Code Chapter 12D (HRC Form 3). Chapter 12D is the MBE/WBE/LBE Ordinance. The Declaration must be signed and on file before you can receive an award.

Forms related to Admin. Code Chapter 12B, Nondiscrimination in Contracts and Benefits: There are three forms:

- Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits (form HRC-12B-101). With this form, you tell the City whether your personnel policies meet the City's requirements for nondiscrimination against protected classes of people, and in the provision of benefits between employees with spouses and employees with domestic partners.

- **Reasonable Measures Affidavit (form HRC-12B-102).** If you have taken all reasonable measures to end discrimination in benefits, have been unable to do so, and plan to offer your employees a cash equivalent, you should use this form to document the situation.
- **Substantial Compliance Authorization (form HRC-12B-103).** If you do not comply completely with Chapter 12B and complete compliance is impossible due to certain specified reasons (such as, you couldn't change your benefits program in time for the most recent open enrollment period), you should complete this form to document the reasons why you cannot comply now. If the City approves this form and related documentation, the City can find you compliance with Chapter 12B for a limited time.

If the bid is estimated to exceed \$50,000, Purchasing will include in the bid package an Affirmative Action questionnaire and Workforce Data form.

If you are the low bidder and have never completed a City Business Tax Declaration (form P-25), one will be sent to you prior to award. Please note that all businesses (sole proprietorship, partnership, or corporation) which qualify as "doing business in San Francisco," must register with the Tax Collector's Office, Business Tax Division, located at 857 Stevenson, Room 220. Or, you can call (415) 554-4426, or the Tax Collector's Representative in the Purchasing Department at 554-6718.

If you wish to claim the MBE/WBE/LBE bid preference on your bid, you must already be certified by the Human Rights Commission (HRC) or must submit a certification application to HRC before the bid opening. To qualify for the preference, you must be certified before the contract is awarded. (See Chapter 5.)

## **K. How Do Departments Do Their Own Purchasing of Products up to \$5,000?**

Some City departments do their own purchasing of products, up to a maximum order of \$5,000 (plus tax and freight). The number of departments using this authority is increasing. City procedures require departments to solicit three bids for orders over \$2,500, and encourage departments to solicit bids for orders below \$2,500.

To place an order, departments create a Departmental Purchase Order and mail it directly to the vendor. Except for developing the procedures that departments follow, the Purchasing Department is not involved in these types of orders.

To compete for these orders, vendors must make themselves known to departments, both directly and by making sure that they are in the City's vendor file.

## **4. CONSTRUCTION, ARCHITECTS, ENGINEERS AND PROFESSIONAL SERVICES**

### **A. How Does the City Contract for Construction, Architect and Engineering?**

As noted earlier, several departments do this. If you are interested in opportunities for construction, architect, engineering and related work, you should contact the following departments directly:

- Airport
- Port
- Public Transportation Commission, which includes the Municipal Railway
- Public Utilities Commission, which includes the Water Department, and Hetch Hetchy

- Public Works
- Recreation and Park

Their addresses and phone numbers are listed in Chapter 10 (pages 30-33).

## B. How Does the City Contract for Professional Services?

In City parlance, professional services include management consulting, accounting, data processing design or consulting, legal or medical services, or other services of this caliber. The Purchasing Department executes contracts for professional services.

But before such a contract arrives in Purchasing, the user department which needs the services has already conducted a Request-for-Proposal (RFP) process, soliciting interest, qualifications, etc.

If you provide such services, you should contact the user department directly for information about contracting opportunities and procedures. Departments advertise their upcoming contracts in the "Bid and Contract Opportunities" newsletter (see Chapter 3, Section D.1, page 8).

City departments are listed under "San Francisco, City and County of" in the Government section of the telephone directory. For departments with senior purchasers on site (see Chapter 9, Section A, pages 26-27, for a listing), contact the senior purchaser first. For other departments, ask for the Contract Administration office, or Budget or Accounting office.

## **5. INTERNET INFORMATION**

### **A. What's on the City's Home Page?**

The City's Home Page, Cityspan, has a wealth of information. Currently, there are about 40 departments on-line and new departments are being added weekly. Information ranges from something as specific as "how to start a business" to something general like the City's phone directory. Visit Cityspan at "[www.ci.sf.ca.us](http://www.ci.sf.ca.us)."

### **B. What's on Purchasing's Home Page?**

Lots of neat stuff. Here's what you'll see on the Home Page:

- Purchasing's address, phone and fax numbers, hours, and a general description of the sources of information about the City's procurement process in general and Purchasing in particular.
- Links to the other sources of information.

### **C. What's on Purchasing's Other Pages?**

Even more neat stuff:

#### **1. Upcoming Events**

If the City is sponsoring events of interest to vendors, the events are described on this page.

#### **2. Buyers and Commodities**

In Purchasing's central office, several buyers have specific product and service areas assigned to them. Other buyers are responsible for a wide variety of term contracts. This page lists each buyer, phone number, and areas of responsibility.

#### **3. Purchasers at Satellite Locations**

Some purchasers are located in the departments they serve. This page lists them, with office location, telephone, and office hours.

#### **4. Bid Newsletter**

Purchasing publishes a bid newsletter every week in hardcopy and fax formats. But the newsletter is updated daily on the Internet. Each section of the newsletter is a separate page: Equipment, Supplies and Services; Construction; Architects and Engineers; Consultants and Professional Services; and Concessions and Leases. The bid documents themselves aren't posted yet, just notices of them—but we're working on it.

#### **5. "How to do Business ..." booklet**

The booklet you're reading, "How to do Business with the City and County of San Francisco" is posted. Twelve of its thirteen chapters are separate pages. Chapter 13, the map, is not posted.

#### **6. Forms**

To do business with the City, there are forms to fill out. (This is government, after all.) We've posted some of them, and add others to the page from time to time.

## **6. MBE/WBE/LBE ORDINANCE**

### **A. What Does the Ordinance Do, and Why?**

San Francisco's MBE/WBE/LBE Ordinance, which is Chapter 12D of the Administrative Code, was enacted to: increase the opportunities for local disadvantaged businesses, including minority-owned or woman-owned to compete and participate in the procurement activities of the City and County of San Francisco; and to compensate partially for the higher administrative costs of doing business in San Francisco.

To accomplish these goals, the Ordinance grants bid preferences to MBE/WBE/LBEs which have been certified by the Human Rights Commission (HRC). If you need copies of the Ordinance or its implementing Rules and Regulations, call the Human Rights Commission at 252-2500. The information in this section will be revised as necessary to reflect any amendments to the Ordinance.

The Ordinance also contains a subcontracting program, with the goal of increasing the participation of MBE/WBEs as subcontractors on City construction projects and contracts for architects and engineers. See paragraph D, page 17.

### **B. What is a Certified Business? What is a Registered Business?**

The MBE/WBE/LBE Ordinance covers two broad categories of businesses: certified (which includes MBEs, WBEs and LBEs); and registered (which includes only MBEs and WBEs).

#### **1. Certified Businesses**

To qualify for a 5% bid preference, you must be a certified local business. To be certified as a local business (LBE), you must be:

- local, which means having had a place of business in San Francisco for at least six months, and
- economically disadvantaged, which relates to type of business and average gross receipts for the last three years.

To qualify for a 10% bid preference, you must be a certified local minority- or woman-owned business, and to be certified, you must be:

- local, which means having had a place of business in San Francisco for at least six months, and
- economically disadvantaged, which relates to type of business and average gross receipts for the last three years, and either
- owned and controlled by a minority, or
- owned and controlled by a woman.

## 2. Registered Businesses

If you are a registered business, there is no bid preference, but the MBE/WBE/LBE Ordinance requires that the City make good faith efforts to do business with you. The category of registered LBE does not exist. To qualify as a registered MBE, you must be:

- owned and controlled by a minority, and either
- located in San Francisco, but not economically disadvantaged, or
- located outside San Francisco, of any business size.

To qualify as a registered WBE, you must be

- owned and controlled by a woman, and either
- located in San Francisco, but not economically disadvantaged, or
- located outside San Francisco, of any business size.

## C. How Does the Preference Work?

The preference applies to competitive bidding and to the Request-for-Proposal (RFP) process.

The Ordinance grants a 5% preference to a certified economically disadvantaged local business enterprise (LBE), and an additional 5% preference to a certified economically disadvantaged local business enterprise which is also a minority business enterprise (MBE) or a woman-owned business enterprise (WBE). The maximum preference is 10%.

For example, if an MBE, an LBE, and a non-certified bidder all submitted bids of \$100, the MBE's bid would be reduced by 10%, the LBEs by 5%, and the non-certified bidder's bid would not be affected. The MBE would receive the award based on its adjusted bid of \$90. The MBE would invoice, and the City would pay, \$100.

## D. Which Transactions Does the Preference Apply To?

The preference is available for all certified MBE/WBE/LBE vendors of:

- commodities (except petroleum and related products);
- general services;
- construction and facilities maintenance.

For professional services, whether the additional 5% preference for MBE/WBEs applies depends on the type of service and the ethnicity and gender of the business owner. For information on the effect of business ownership, contact the Human Rights Commission (252 2500) or the individual City department. The preference applies to the following types of professional services:

- legal;
- architectural and engineering;
- computer consulting, design training, etc.;
- management consulting;
- medical services;
- accounting, auditing, finance, miscellaneous professional services.

Eligibility for bid preferences may change, depending on the overall level of representation of MBE/WBEs in certain fields.

The 5% and 10% preferences do not apply to contracts over \$10 million.

## **E. How Does the Subcontracting Program Work?**

The Ordinance has established a separate program to increase the opportunities for MBE/WBEs to become subcontractors on City construction projects and in the related professional service fields of architectural and engineering services. The Ordinance requires the City to set percentage goals for MBE/WBE subcontractor participation on many construction, architectural and engineering prime contracts. Subcontracting goals are set on these types of contracts regardless of their size (prime contracting goals are set on contracts over \$10 million).

Bidders seeking these types of prime contracts from the City must, in their bids, show the City what subcontracts they intend to award, which subcontractors are MBE/WBEs, and demonstrate good faith efforts they have made to do business with MBE/WBE subcontractors.

For more information, contact the departments which award construction contracts, listed on pages 26-31: Airport, Port, PTC (including Muni), PUC (including Water and Hetch Hetchy), Public Works, Recreation and Park. Or call the Human Rights Commission at 252-2500.

## **F. If I'm not an MBE/WBE, Can I Form a Joint Venture with an MBE/WBE?**

Yes. Bid preferences are also available for joint ventures of MBE/WBE and non-MBE/WBE firms. The bid preference would be 5%, 7.5%, or 10%, depending on the level of MBE or WBE participation. For more information, call the Human Rights Commission (252-2500).

## **G. What about State or Federally Funded Projects?**

The standards may be different. Ask the department whether state or federal funds are involved and, if so, for more information on the program.

## **H. How Does the Prompt Payment Program Work?**

The City is committed to paying all invoices in a timely fashion. Paying invoices expeditiously is good for the City and good for you. The Ordinance sets forth a policy for paying MBE/WBE/ LBE vendors' invoices within 60 days. To help us fulfill these general and specific policies, it's important that you follow the guidelines for invoice processing in Chapter 8, "Paying the Invoice" (pages 23-25).

## **I. How Can My Firm Qualify as an MBE/WBE/LBE?**

You must be certified by the Human Rights Commission. To do that, you must submit a certification application to the Human Rights Commission and certification must be granted prior to award of the contract. Because of the amount of information which must be verified, the certification process can be lengthy if all the required information is not submitted initially. Try to submit the application well before your bid is submitted, so that the evaluation and award process will not be delayed. If you do not become certified, the preferences will not apply.

To be certified as an MBE or WBE, you must submit Schedule A, "Minority/Women/Local Business Enterprises Application." To be certified as an LBE, you must submit Schedule L, "Local Business Enterprises Application." To be registered, you must submit a "Registry Application." All forms are available from:

Human Rights Commission  
25 Van Ness Ave., Suite 800  
San Francisco, CA 94102-4908  
(415) 252-2500  
TDD: (415) 252-2550

## **7. TYPES OF AWARDS**

When you receive an award, it will be one of several varieties:

**Purchase Order:** A purchase order is used for a one-time purchase of a definite quantity of goods.

**Contract Purchase Order:** For construction, professional services and other transactions, the City prepares a Contract Purchase Order (signed by Purchasing if not for construction) and a separate contract (approved by the department, the vendor, the City Attorney, Purchasing, and sometimes the Chief Administrative Officer). The Contract Purchase Order verifies that funds have been encumbered and so performance can begin, and the separate contract provides a detailed description of the duties and responsibilities of the vendor and the City.

**City Blanket Purchase Order:** A City Blanket Purchase Order is awarded for a fixed term (usually one year, though longer contracts are possible) for an indefinite quantity of goods or services. Purchasing or other City departments may place orders throughout the year, using Blanket Purchase Order Releases, Purchase Orders, or Revolving Funds, for items listed in the City Blanket. All listed items the City needs will be purchased from the successful bidder, unless conditions in the bid state otherwise.

**Departmental Blanket Purchase Order:** A Departmental Blanket enables a City department to order directly from the vendor in accordance with the Blanket's terms. The Departmental Blanket may cover: limited purchases of items not on a Citywide Blanket; monthly charges, such as for copier rental or maintenance.

**Emergency Order:** If an emergency situation arises, Purchasing may give a department a purchase order number, and the department in turn would call a vendor directly, order what was needed, and give the vendor the purchase order number (or Purchasing may call the vendor directly). A confirming purchase order would follow.

**Revolving Fund:** Departments may place low-dollar orders directly with vendors, and then pay the invoices with checks from their separate revolving fund accounts-these checks are not generated by the Controller. Departments may assign a revolving fund order number to the transaction, and will send a revolving fund order form if the vendor requires an ordering document. These orders occur without the participation of Purchasing or any other contracting department.

**Departmental Purchase Order:** Departments, under Purchasing's guidelines, may place their own orders for products up to \$5,000 (excluding tax and shipping). For orders below \$2,500, departments are encouraged to solicit competitive bids, and have the option of placing an order verbally or sending a hardcopy Departmental Purchase Order. For orders between \$2,500 and \$5,000, departments must request at least three bids and must send the hardcopy DPO to the vendor.

For Revolving Fund Orders and DPOs, the department will deal directly with the vendor, and Purchasing will not be involved.

## 8. DELIVERY AND ACCEPTANCE

### A. Where and How to Deliver

For most orders, the delivery point is the location in the requesting department where the item or service will be used. You should note carefully the Delivery Address in the City's bidding and order documents, including the room number if indicated.

This means that if the delivery address is 1234 Main St., Room 605, the final delivery point is that room, and it is probably on the sixth floor of the building. For bids for heavy items, the City will use best efforts to indicate the delivery point's floor, and whether an elevator is present. But even if this detail is not present, you are responsible for delivering to the final destination specified in the order.

Deliveries to City departments typically are made by common carrier, by the vendor's trucks, or through the U.S. Postal Service.

Do not send the order to the buyer in Purchasing whose name may be on the transaction. See below under "Problems."

## **B. Include the Order Number on the Outside of the Package**

You must include the Purchase Order number, Departmental Blanket Purchase Order number, City Blanket Purchase Order Release number, or Contract Purchase Order number on the outside of the package. This will enable the City to identify the correct department or individual as the recipient in case there are any problems.

## **C. Inspection and Acceptance by the Department**

All goods and services are considered received by the City only after the requesting department inspects to be certain all items are received and in good condition, or that the service has been performed satisfactorily. After inspection and any necessary tests have been performed, the department will approve the invoice.

## **D. Problems**

Circumstances which may interfere with the City's accepting and paying for an order include:

- **Short shipment; backorders.** The City pays for an order only after all items have been received. Partial payments are very rare. If you have made several shipments to fill an order, and mailed the invoice for the entire order before all shipments were received, you can expect payment only after the City receives the complete order.

- **Wrong delivery address:** the shipment was sent to Purchasing. Occasionally, vendors send orders to the Purchasing Department instead of the requesting department. This causes delays as Purchasing determines the ultimate recipient and forwards the order. If no purchase order number appears on the outside of the container, Purchasing may be unable to identify the correct department and thus be forced to return the shipment.
- **No purchase order number on the package.** If there is a problem with the delivery address, knowing the order number can be a significant help to the City in identifying the ultimate recipient.

## 9. PAYING THE INVOICE

This information is applicable to purchase orders, contract purchase orders, and blanket purchase orders signed by the Purchasing Department. For payment information on construction, you should contact the particular City department involved. See Chapter 9, "City References," for names, phone numbers, etc.

As the City implements its new accounting system, more and more departments will be processing their orders and invoices online. This section notes the differences between what online departments do and offline departments do.

### A. Where Do I Send the Invoice?

Send your invoice to the "Bill to" address specified in the order. This will speed payment. For all types of orders, the billing address is that of the City department receiving the good or service. Include the Purchase Order, Contract Purchase Order or Blanket Order Release number on the invoice. This will help us match the invoice to the correct order.

## **B. What Does the User Department Have to Do?**

### **1. General**

The City must verify that the order was received complete and in good condition. The invoice is matched with the original order and any receiving document so the City can determine that what was delivered is what was ordered.

### **2. Online Departments**

The online department enters the invoice information in to the system, and approves payment if everything is in order. The transaction is then posted to the Controller. No paper is sent between City offices.

### **3. Offline Departments**

The offline department completes a form indicating receipt of the complete order and requesting payment, and then sends the form and a copy of the invoice to the Controller.

## **C. What Happens Before the Check is Written?**

The Controller's Office reviews the invoice and receiving information (either online or as documents), verifies that any required insurance remains in effect, and then prepares the warrant and mails it to the vendor.

## **D. What If I Have Questions about an Invoice?**

Call the City department you mailed the invoice to. Have the purchase order number or other identifying City transaction number handy.

## **E. What Can I Do to Help the Payment Process Proceed More Quickly?**

If you observe the following tips, things should go smoothly:

- **Make sure you send the shipment to the correct City address.** In general, do not send the shipment to Purchasing. Note carefully the “Deliver To” address on the City’s Purchase Order, Contract Purchase Order, Blanket Order Release, or Departmental Purchase Order.
- **Include the order number on the outside of the package.**
- **Send an invoice for the complete order, not a partial one, and do this only after the full order has been received.** In general, the City does not pay partial invoices. Invoices sent too early may become difficult to locate once the shipment arrives.
- **Send the invoice to the correct City address.** Pay close attention to the Purchase Order, Contract Order, or Term Purchase Agreement, which shows the “Bill To” address.
- **Include the correct Purchase Order number, Blanket Order Release number, Contract Order number, or Departmental Purchase Order number on the invoice.** The City needs that identifying number to match the shipment or services with the procurement document.

## **10. CITY REFERENCES**

All phone numbers are area code (415). For information on payments, call department which received, or will receive, the product or service.

### **A. Purchasing Department**

#### Purchasing Department Main Office:

633 Folsom St., Room 514  
San Francisco 94107-3607  
554-6743

#### Purchasing's satellite offices:

- Department of Public Health:  
S. F. General Hospital  
1001 Potrero Ave., #GP-4  
San Francisco 94110-3594  
206-8039

For information on payments:

Purchase Orders:

206-5314

Blankets and Contract Purchase Orders:

206-3889

- Recreation and Park Dept.:  
McLaren Lodge, Golden Gate Park  
501 Stanyan St.  
San Francisco 94117-1898  
831-2759

- S.F. International Airport:  
111 Anza Blvd.  
Burlingame 94010  
373-2848

- Public Utilities Commission (PUC):  
Water Department and Hetch Hetchy  
425 Mason St., 6th Floor  
San Francisco 94102-1722  
923-2519

For information on payments: 923-2507

- Public Transportation Commission (PTC):  
Municipal Railway  
Pier 80  
San Francisco 94124-1207

For information on payments: 923-2507

- Department of Public Works:  
Bureaus of Building Repair, Street and Sewer Repair,  
Street Cleaning, and Urban Forestry  
2323 Cesar Chavez St. (old Army St.), Bldg. A  
San Francisco 94124-1091  
695-2124

## B. Construction Departments

### ► Public Works:

For information on upcoming contracts:

- Bureau of Engineering              • MBE/WBE Information:  
Chief, Bureau of Engineering              Human Rights Commission  
554-8232                                      Representative  
    558-4059
- Bureau of Architecture              • MBE/WBE Information:  
City Architect                              Human Rights Commission  
557-4700                                      Representative  
    554-4014
- Bureau of Building Repair  
Superintendent  
695-2038

For information on payments:

- Contract Administration Division, DPW  
554-6226

For information on contract processing:

- Contract Administration Division, DPW  
554-6227

- S. F. Port Commission:  
For information on upcoming construction and professional service contracts, payments, and contract processing:
- Engineering Division  
Manager, Special Services Section  
274-0544
- MBE/WBE information:
- Port Affirmative Action Office  
274-0493
  - Human Rights Commission Representative  
274-0511
- Public Transportation Commission:  
For information on upcoming MUNI Railway Operation contracts:
- MUNI Railway Engineering  
Section Head  
923-6171
- For information on MUNI payments and contract processing:
- MUNI Railway Engineering  
Contract Administrator  
923-6172
- For information on Construction and Professional Service Contracts:
- Capital Projects Division  
Contract Administration, Manager Contracting Section  
554-0783
- MBE/WBE/DBE Information:
- PTD Contract Compliance  
923-6139

► Public Utilities Commission

For information on construction and professional services contracts:

- Utilities Engineering Bureau  
Contract Administration  
Manager, Contracting Section  
554-0778

For information on other upcoming contracts, other payments and contract processing:

- Utilities Engineering Bureau  
Contract Administration  
Manager, Contract Review Unit  
554-0778

MBE/WBE information:

- PUC Contract Compliance  
923-2674

► S.F. International Airport:

For information on construction and professional service contracts:

- Facilities Operations and Maintenance Division  
Administration  
737-7777
- Bureau of Design and Construction  
Administration  
737-7700

For leases and professional service contracts:

- Business and Finance Division  
Administration  
876-2365

For invoice and payment processing:

- Accounting  
373-2860

MBE/WBE information:

- MBE/WBE Program Office  
794-5021

- Human Rights Commission Representative  
737-7724
- Recreation and Park Department:  
For information on construction contracts, payment processing, and the MBE/WBE program:
  - Structural Maintenance  
Senior Administrative Analyst  
753-7013

## C. MBE/WBE/LBE Ordinance

For more information on the Ordinance, call the MBE/WBE references in the Construction Departments section, or call:

- Human Rights Commission  
25 Van Ness Ave., Suite 800  
San Francisco 94102-4908  
252-2500
- Purchasing Department  
633 Folsom St., Room 514  
San Francisco 94107-3607  
554-6743

## D. Other Contract Administration Offices

Two other City departments administer a significant number of professional service contracts:

- Department of Public Health  
Office of Contract Management and Compliance  
554-2607
- Department of Human Services  
Office of Contract Compliance  
557-5581

## **E. Mayor's Office of Economic Development: Starting a Business in San Francisco**

If you are considering starting a business in San Francisco, or establishing an office here of an existing business, City government can help. The Mayor's Office of Economic Development has published "Getting Business Started—A Guide to Doing Business in San Francisco." This booklet will tell you about the local, state and federal requirements which apply to businesses. There are a lot of them, and getting it right the first time can save you problems later on.

For more information, call the Mayor's Office of Economic Development at 554-6969. For a copy of the booklet, call MOED at 554-6969.

## **11. PROFESSIONAL ASSOCIATIONS AND NON-PROFIT AGENCIES Receiving the "Bid and Contract Opportunities" Newsletter**

African American Contractors  
Asian American Manufacturers Assn.  
Asian Business League  
ASIAN, Inc.  
Bay Area Women Entrepreneurs  
Black Business Listings  
Business Development Inc.  
Chicana Foundation of Northern California  
Chinese Chamber of Commerce  
Chinese for Affirmative Action  
Circle Counseling Center  
Community Entrepreneurs Assn.  
East Bay Small Business Center  
EDCI  
Filipino American Society of Architects  
Glide Memorial Church  
Hispanic Chamber of Commerce  
Japanese Chamber of Commerce  
Japanese Community Youth Council  
La Raza Information Center Inc.  
Mission Economic Development Assn.  
NAACP Marin City Chapter  
NAACP San Francisco Chapter  
National Center for American Indian Development  
National Minority Contractors' Assn., Northern California Chapter  
Northern California Supplier Development Council  
San Francisco Black Chamber of Commerce  
San Francisco Business & Professional Women's Organization  
San Francisco Chamber of Commerce  
San Francisco Hispanic Chamber of Commerce  
San Francisco Renaissance  
San Francisco Women Contractors' Assn.  
Small Business Connection  
Spanish Speaking Unity Council  
Tradeswomen Inc.  
UMBE Inc.  
United Indian Nations  
U.S. African American Chamber of Commerce  
Urban Economic Development Corp.  
Women Construction Owners

## 12. NEWSLETTER SUBSCRIPTION FORM

Use this form to subscribe to "Bid and Contract Opportunities." All subscriptions expire on December 31, 1997. Subscriptions are prorated at \$6 per month for the remaining months of the year.

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Enclosed is my check for a subscription to  
**"Bid and Contract Opportunities"**  
prorated at \$6 per month for \_\_\_\_ months.

Company \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

ZIP \_\_\_\_\_ Telephone (\_\_\_\_\_) \_\_\_\_\_

Contact Name \_\_\_\_\_

If you prefer to receive the newsletter by fax, check here  and supply your fax number. FAX (\_\_\_\_) \_\_\_\_\_. We will fax the newsletter after working hours to the person designated as the Contact Name. Please indicate which sections of the newsletter you would like to receive:

- Equipment, Supplies and General Services
- Construction
- Architects and Engineers
- Consultants and Professional Services
- Concessions and Leases

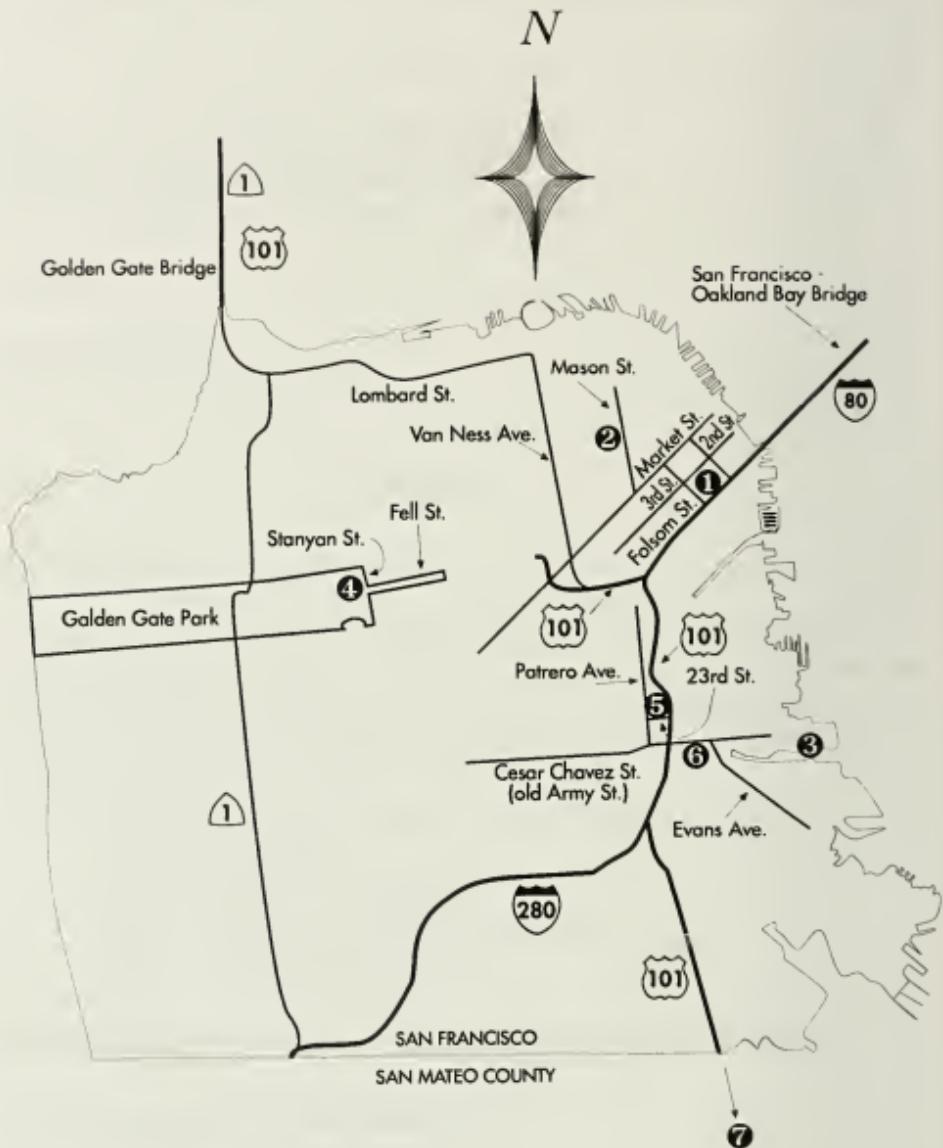
Make check payable to: City and County of San Francisco

Mail this form and your check to:

Purchasing Department  
Bid Newsletter  
633 Folsom St., Room 514  
San Francisco, CA 94107-3607



### 13. MAP — PURCHASING DEPARTMENT: MAIN OFFICE AND SATELLITE LOCATIONS



## KEY TO LOCATIONS

- ① Main Office**  
633 Folsom St., Room 514
- ② Public Utilities Commission: Water Department and Hetch Hetchy**  
425 Mason St., 6th Floor
- ③ Public Transportation Commission: Municipal Railway**  
Pier 80
- ④ Recreation and Park Dept.**  
McLaren Lodge, 501 Stanyan St.
- ⑤ San Francisco General Hospital**  
1001 Potrero Ave.
- ⑥ Department of Public Works**  
2323 Cesar Chavez St. (old Army St.)
- ⑦ San Francisco International Airport**  
111 Anza Blvd., Burlingame



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